

S.B. 123

UTAH CONSUMER CREDIT CODE AMENDMENTS

Senator **Peter C. Knudson** proposes the following amendments:

1. *Page 4, Lines 97 through 115:*

97 {+} (3) If the creditor has taken a security interest in any real property of the debtor to
98 secure payment of the debt, and if the term to be changed affects the method for calculating
99 minimum payments, or is part of the finance charge,]

100 [the {+} ~~{(3)A}~~ creditor may apply {+} the {+} ~~{a}~~ new term ~~{of an~~
open-end consumer credit

101 contract} to an account balance relating to a credit transaction that occurred prior to the effective
102 date of the change only if:

103 (a) ~~{(i)}~~ the debtor expressly so agrees after notice of the change has been given by the
104 creditor; or

105 {+} (b) (i) {+} ~~{(ii)(A)}~~ the creditor notifies the debtor that:

106 {+} (A) {+} ~~{(B)}~~ further extensions of credit will not be permitted unless the debtor
agrees that

107 the new term may be applied to an existing account balance; and

108 {+} (B) {+} ~~{(H)}~~ any future charges to the account will constitute agreement; and

109 {+} (ii) {+} ~~{(B)}~~ the debtor makes a charge to the account after receiving notice
described in

110 Subsection (3) {+} (b)(i). {+} ~~{(a)(ii)(A); and~~

111 ~~— (b) (i) the creditor has taken a security interest in any real property of the debtor to~~

112 ~~secure payment of the debt under an open-end consumer credit contract; and~~

113 ~~— (ii) the term to be changed in the open-end consumer credit contract;~~

114 ~~— (A) affects the method for calculating minimum payments; or~~

115 ~~— (B) is part of the finance charge. }~~